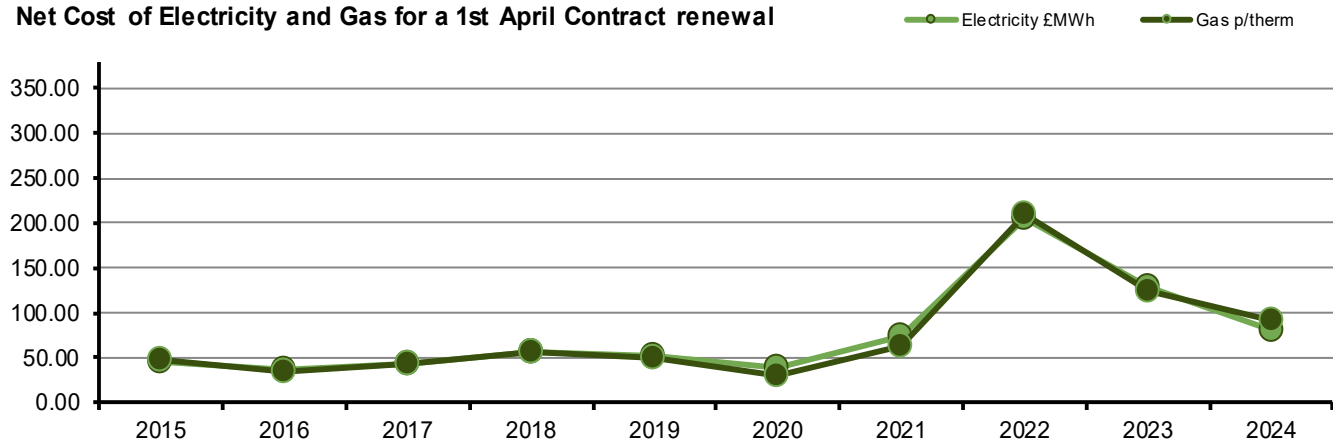


Report issued: 29th May 2024

Net Cost of Electricity and Gas for a 1st April Contract renewal



Electricity: base load cost - excludes distribution, taxation and supplier margin and costs

2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
44.49	37.23	42.30	55.73	52.90	39.23	73.40	204.50	127.65	81.03

Gas: core gas cost - excludes distribution, taxation and supplier margin and costs

2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
46.81	34.65	42.58	56.86	49.25	30.85	62.69	210.74	125.06	90.78

Week commencing 20th May 2024

	Oil (bbl)	Gas (ppt)	Power (MWh)	Coal (MT)
Start	\$83.34	86.71	£79.55	\$97.75
End	\$81.86	93.98	£86.41	\$98.50

The Market continued to trade higher, Summer maintenance within Norwegian gas plants continued to drive market volatility as gas flows from Norway to the UK and NW Europe fell considerably lower than the 5-day moving average. Despite these supply interruptions, EU storage sat at 67% full, representing a 14% increase from the 5-year seasonal norm of 53%. The upward trend continued following the announcement that an unnamed EU business had won a legal battle that might prevent the Austrian firms payments to Gazprom, a significant Russian supplier. This could potentially cause Russian gas supply disruptions to Austria.

Week commencing 6th May 2024

	Oil (bbl)	Gas (ppt)	Power (MWh)	Coal (MT)
Start	\$83.29	84.85	£76.88	\$100.50
End	\$83.94	85.00	£78.02	\$98.25

Prices remained volatile with expected milder weather set to take hold. The planned outages at the Karsto and Kollsens gas plants caused a slight supply disruption in Norway however, flows still remained in line with the 5 day moving averages. Mid week supply concerns mainly centred around the geopolitical risks concerning Middle East and Ukraine further supported by declining wind generation leading to increased demand for gas-fired generation

Week commencing 13th May 2024

	Oil (bbl)	Gas (ppt)	Power (MWh)	Coal (MT)
Start	\$83.94	85.00	£78.02	\$98.25
End	\$83.34	86.71	£79.55	\$97.75

Markets opened bearish with an over supplied system and Norwegian flows to NW Europe and UK remaining above the 5-day moving average. Prices did then gain on low wind output, however the gains were limited due to the low demand levels. The remainder of the week saw sideways movement, the planned maintenance within Norway was offset by the strong storage levels within Europe further easing the demand for LNG.

Week commencing 29th April 2024

	Oil (bbl)	Gas (ppt)	Power (MWh)	Coal (MT)
Start	\$89.07	81.89	£74.82	\$108.65
End	\$83.29	84.85	£76.88	\$100.50

Contract prices traded mixed throughout the week. Gas flows disruptions from Norway continued to hamper Europe with major supply plants undergoing maintenance, causing Norwegian flows to drop below the 5 day average. Markets are sensitive now the maintenance season has commenced with more announcements of outages testing current supply levels. Despite the outages, European gas storage remains above the 5yr seasonal average and forecast UK temperatures were expected to be higher than seasonal average, decreasing demand for heating.